

ARLENE BAXTER'S MARKET UPDATE

BERKELEY, CA 94705

- Current Real Estate Market Conditions for Single Family Homes
- Trends in Pricing
- Current Levels of Supply and Demand
- Value Metrics

- Report for the week of
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This Week

- The median list price in BERKELEY, CA this week is \$729,900. The 45 properties have been on the market for an average of 61 days.

Inventory is up and Market Action is trending down recently. While days-on-market appears to be trending lower, the overall conditions are weakening a bit.

Supply and Demand

- The market has been cooling off a bit in recent weeks, as more homes are available and demand is less. We're already seeing prices move lower as a result. Expect this trend to continue especially if the index falls to the Buyer's zone. Watch for a persistent up-turn in Market Action to signal prices rising again.

Real-Time Market Profile

		Trend
Median List Price	\$ 729,900	↓↓
Average List Price	\$ 883,116	
Asking Price Per Square Foot	\$ 446	↔
Average Days on Market (DoM)	61	↓↓
Inventory of Properties Listed	45	↑↑
Most Expensive Listing	\$ 3,995,000	
Least Expensive Listing	\$ 389,000	
Average Age of Listing	72	
Percent of Properties with Price Decrease	7 %	
Percent Relisted (reset DOM)	4 %	
Percent Flip (price increased)	2 %	
Median House Size (sq ft)	1857	
Median Lot Size	4,501 - 6,500 sqft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	2.0	

Altos Research Value Statistics

Market Action Index	Strong Seller's	60.7	↓↓
The Market Action Index answers the question "How's the Market?" by measuring the current rate of sale versus the amount of the inventory. Index above 30 implies a seller's advantage. Below 30, conditions give the advantage to the buyer.			

Trend Key: ↑↑ Strong upward trend ↓↓ Strong downward trend
 ↔ No change ↑ Slight upward trend ↓ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM
Top/First	\$ 1,250,000	3109	4,501 - 6,500 sqft	4.0	3.0	61	11	2	2	105
Upper/Second	\$ 879,000	2141	4,501 - 6,500 sqft	3.0	2.0	85	11	2	0	65
Lower/Third	\$ 649,000	1434	4,501 - 6,500 sqft	2.0	2.0	89	11	4	4	15
Bottom/Fourth	\$ 459,950	983	Less than 4,500 sqft	2.5	1.0	90	12	5	3	59

Most expensive 25% of properties

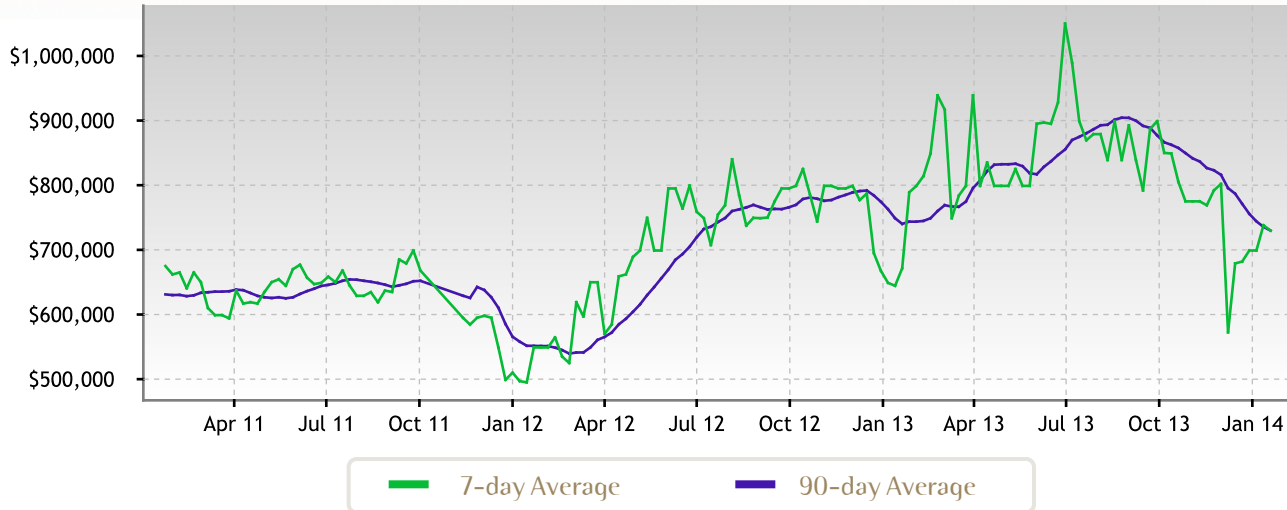
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

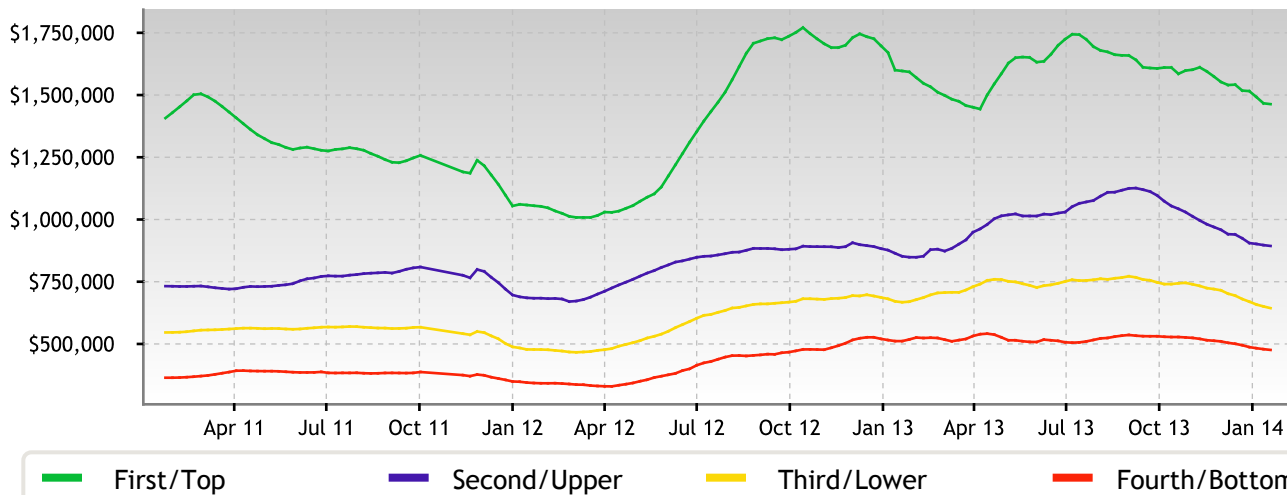
Median Price

While this week the median didn't fluctuate much, prices continue to sit at all time highs. A persistent drop of the Market Action Index into the Buyer's zone will be a leading indicator of the price strength subsiding.



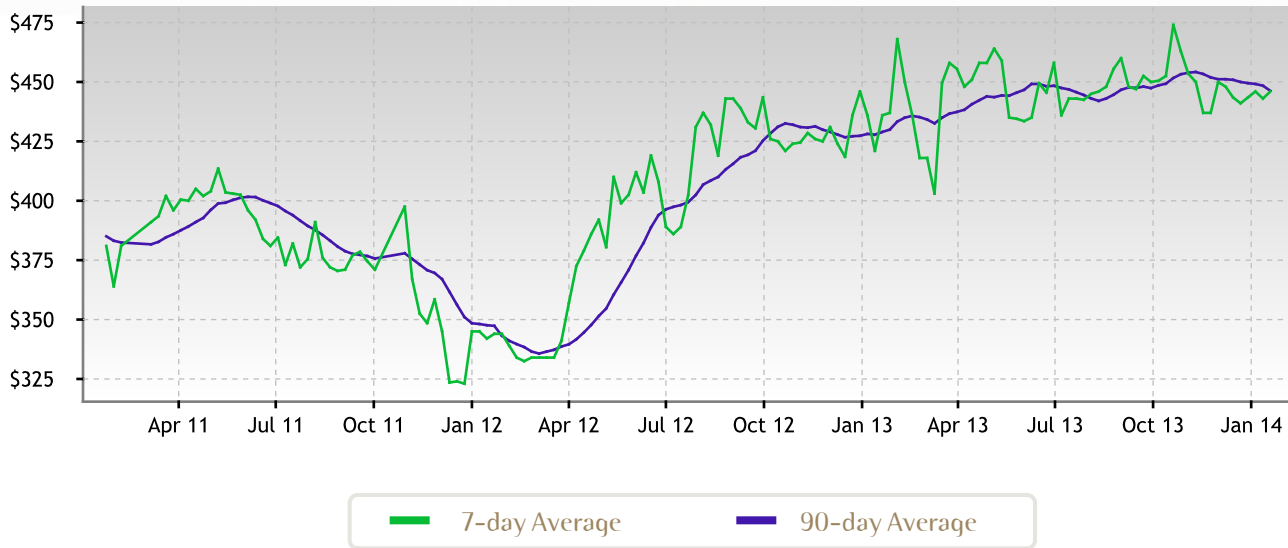
Quartile Prices

Price weakness is evident across the board. All four quartiles have been in price decline in recent weeks. Look to the Market Action Index as a leading indicator of the bottom of the market.



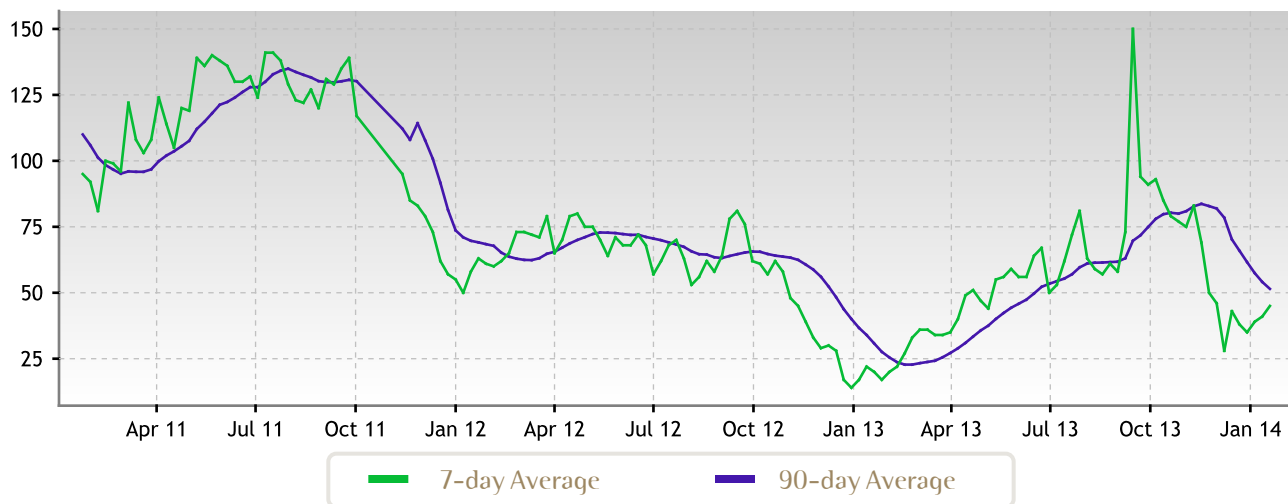
Price per Square Foot

In a market where prices are rising fairly consistently, price per square foot is essentially flat. This often implies that new homes coming on the market are pricier, and also larger than older homes. As a result the value one can buy stays the same.



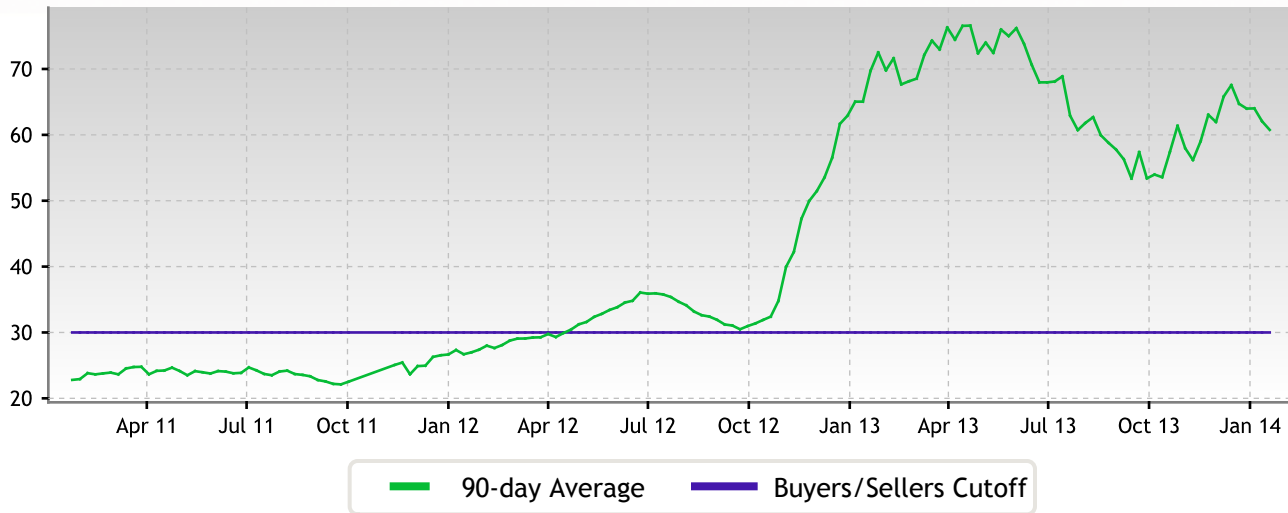
Inventory of Properties Listed for Sale

Inventory has been climbing lately. Note that rising inventory alone does not signal a weakening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is keeping up with available supply.



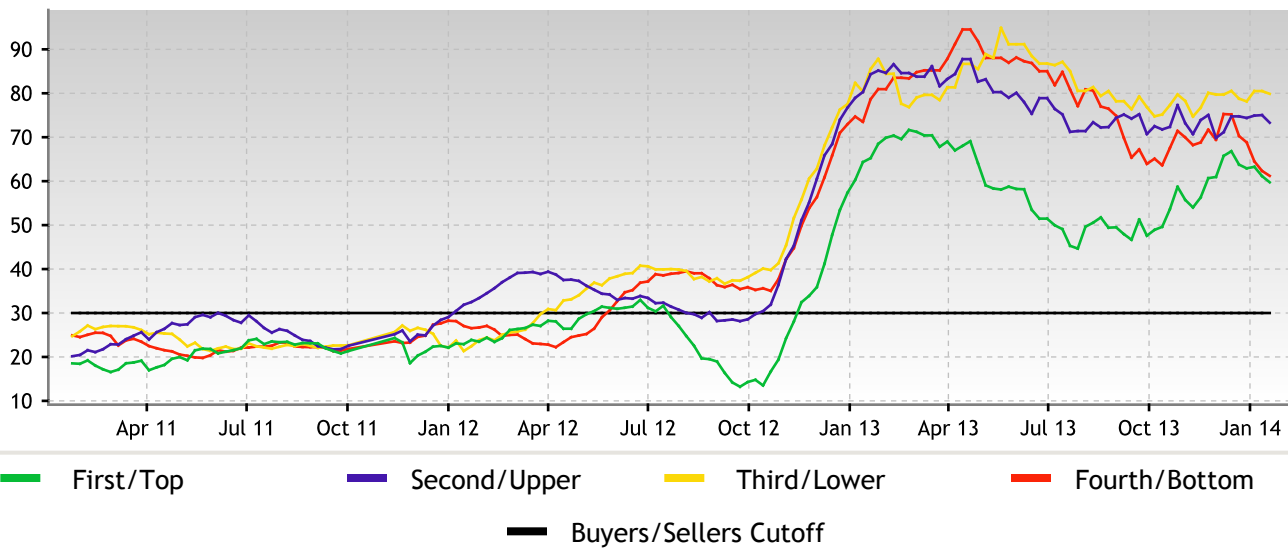
Market Action Index

The BERKELEY market is currently quite strongly in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 60.75; indicating very little supply relative to the demand.



Market Action Index per Quartile

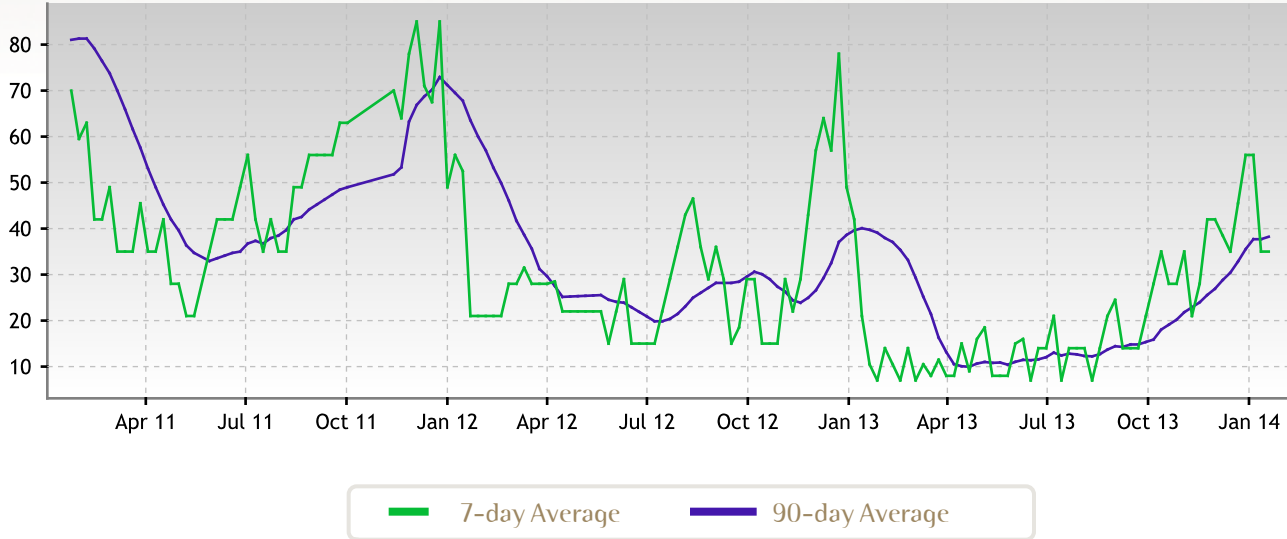
Not surprisingly, all segments in the market are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



Residential house prices are a function of supply and demand, and market conditions can be characterized by analyzing those factors. Watch this index for sustained changes: if the index falls into the Buyer's Advantage zone (below 30) for a long period, prices are likely in for a downward correction.

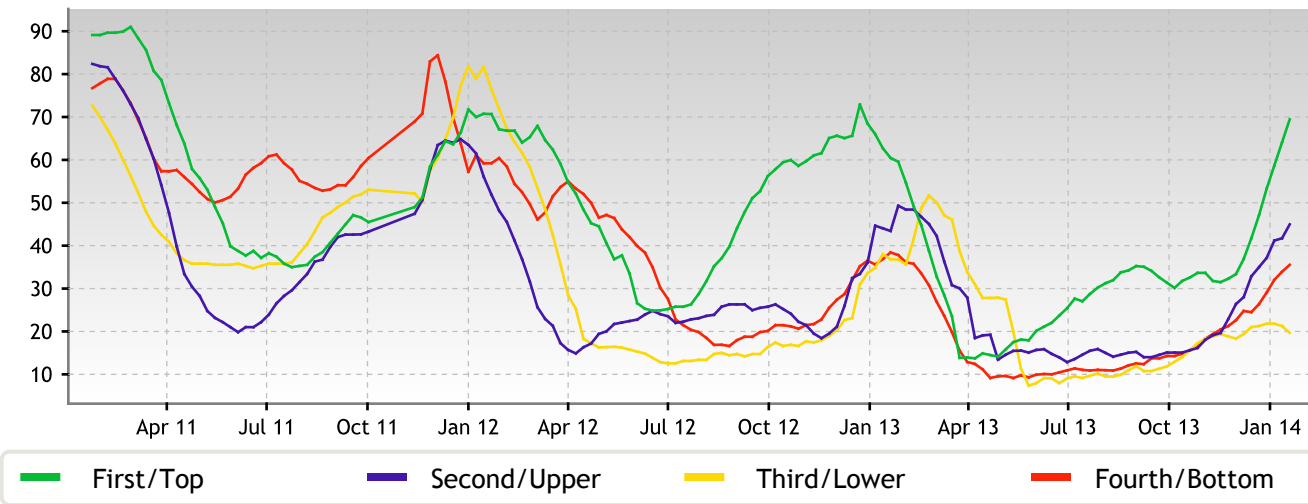
Days on Market

The properties have been on the market for an average of 61 days. Half of the listings have come newly on the market in the past 35 or so days.



Days on Market per Quartile

It is not uncommon for the higher priced homes in an area to take longer to sell than those in the lower quartiles.



This Week

- The median list price in BERKELEY, CA 94705 this week is \$1,047,500. The 8 properties have been on the market for an average of 43 days.

Inventory is up and Market Action is trending down recently. While days-on-market appears to be trending lower, the overall conditions are weakening a bit.

Supply and Demand

- The market has been cooling off a bit in recent weeks, as more homes are available and demand is less. We're already seeing prices move lower as a result. Expect this trend to continue especially if the index falls to the Buyer's zone. Watch for a persistent up-turn in Market Action to signal prices rising again.

Real-Time Market Profile

		Trend
Median List Price	\$ 1,047,500	↓↓
Average List Price	\$ 1,106,175	
Asking Price Per Square Foot	\$ 383	↔
Average Days on Market (DoM)	43	↓↓
Inventory of Properties Listed	8	↑↑
Most Expensive Listing	\$ 2,495,000	
Least Expensive Listing	\$ 450,000	
Average Age of Listing	38	
Percent of Properties with Price Decrease	0 %	
Percent Relisted (reset DOM)	0 %	
Percent Flip (price increased)	0 %	
Median House Size (sq ft)	2552	
Median Lot Size	4,501 - 6,500 sqft	
Median Number of Bedrooms	3.5	
Median Number of Bathrooms	3.0	

Altos Research Value Statistics

Market Action Index Strong Seller's 47.9 ↓↓

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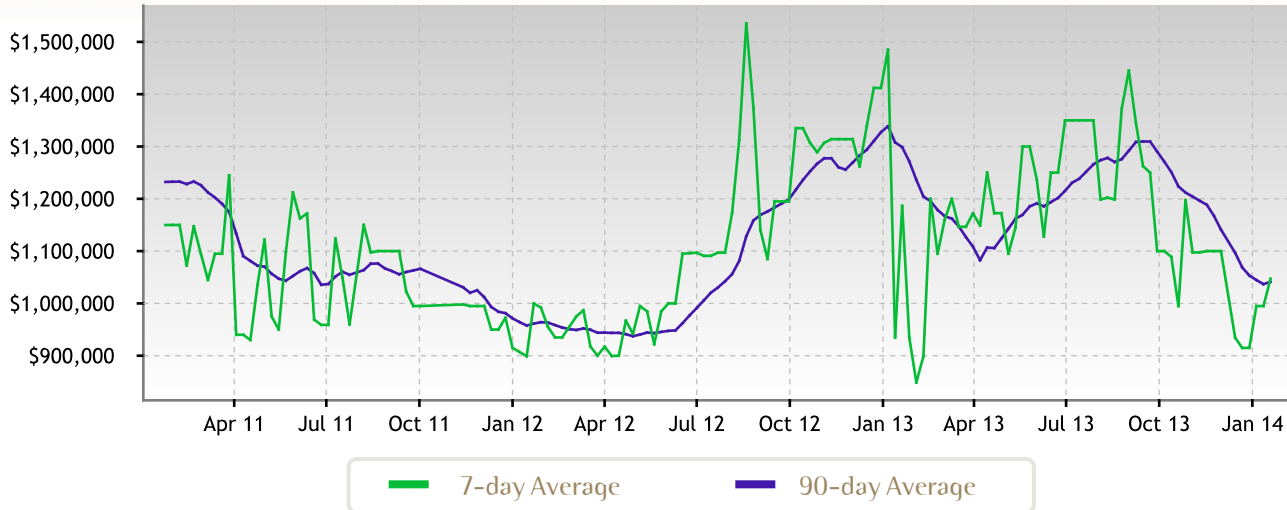
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Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 1,877,250	3440	Less than 4,500 sqft	3.5	3.8	10	2	0	0	70	Most expensive 25% of properties
Upper/Second	\$ 1,147,500	3172	0.25 - 0.50 acre	4.5	3.2	50	2	1	0	56	Upper-middle 25% of properties
Lower/Third	\$ 862,450	2045	4,501 - 6,500 sqft	3.0	2.0	31	2	0	0	24	Lower-middle 25% of properties
Bottom/Fourth	\$ 537,500	2078	4,501 - 6,500 sqft	3.5	2.8	59	2	0	0	21	Least expensive 25% of properties

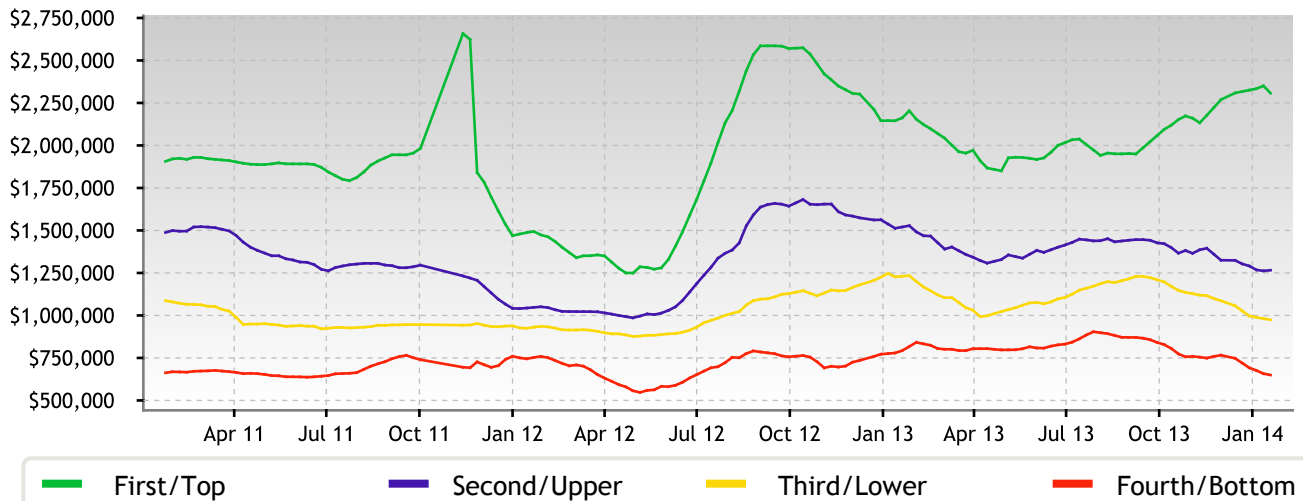
Median Price

Prices in this zip code hit another all time high this week. You can see that prices continue to march higher. Look for a persistent downtrend in the Market Action Index into the Buyer's zone as a leading indicator of the price strength finally abating.



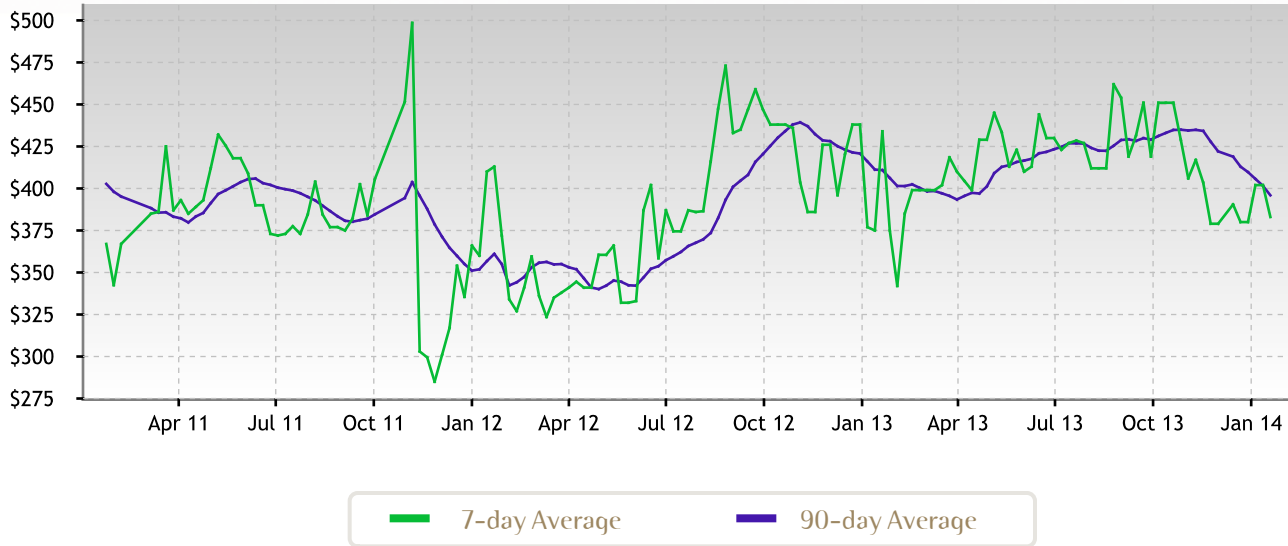
Quartile Prices

In the quartile market segments, we see the market's price weakness evident across the board. Quartiles 2, 3, and 4 have been in price decline in recent weeks, with Quartile 1 remaining basically flat. Look to the Market Action Index as a leading indicator of the bottom of the market.



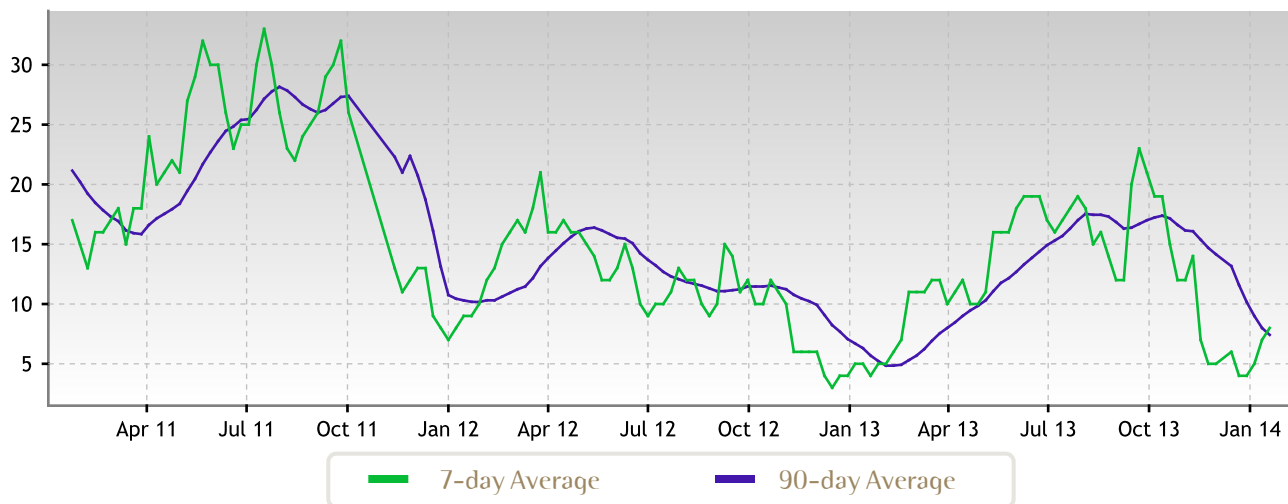
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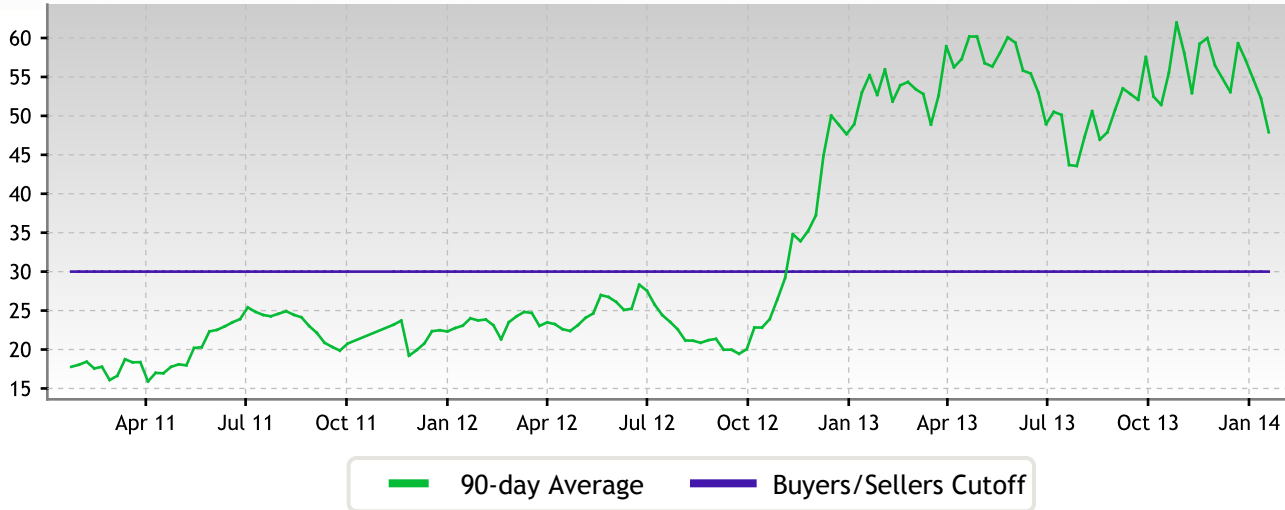
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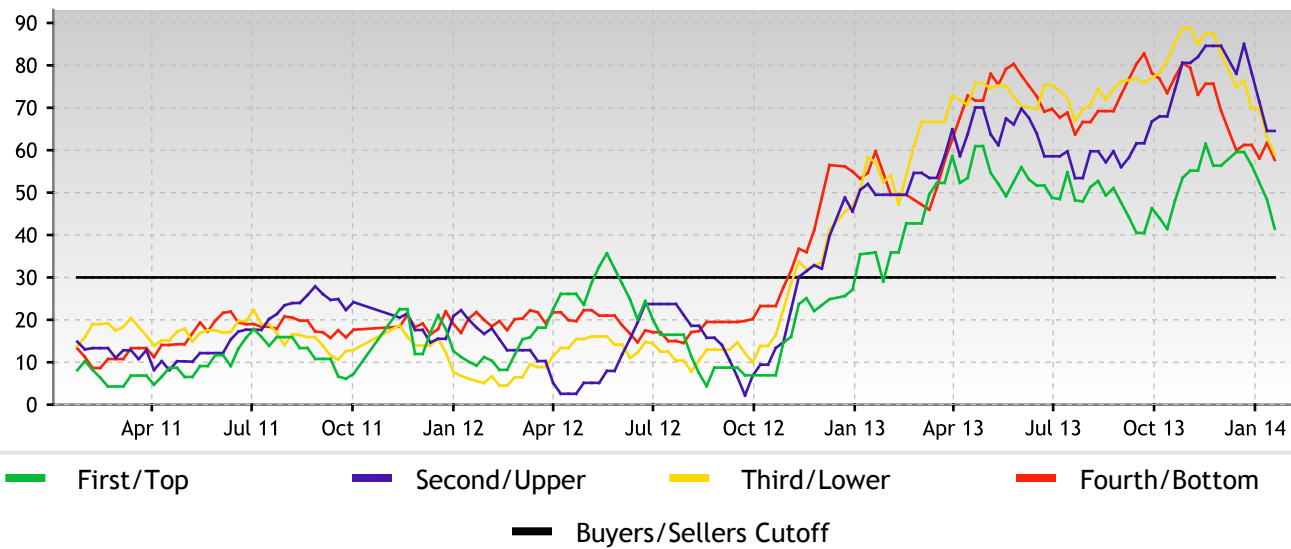
Market Action Index

The BERKELEY, 94705 market is currently quite strongly in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 47.89; indicating very little supply relative to the demand.



Market Action Index per Quartile

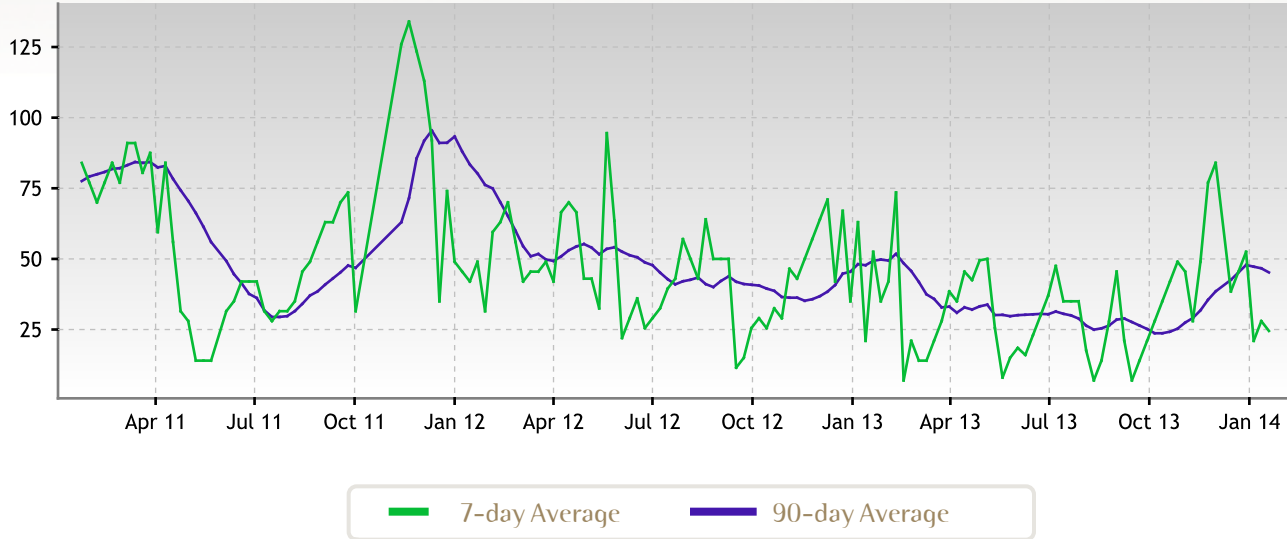
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